Time Horizon & Risk Tolerance

INTERMEDIATE PRACTICE WORKSHEET

Think about your own goals and honest reactions to past downturns. There's no wrong answer, the goal is just practice.

Section 1 - Map Your Time Horizon

List your main financial goals and roughly how many years until each one needs money (e.g. house deposit in 5 years, retirement in 30).

Section 2 - Assess Your Risk Tolerance Honestly

Think of a real market downturn you lived through (or ask someone who did). How did you (or would you have) actually react?

Section 3 - Stress-Test the Downside

Picture your portfolio dropping 30-40% in a single year. Would you hold on, sell some, or sell everything? Be honest, not aspirational.

Section 4 - Find the Overlap

Given your time horizon (Section 1) and your honest risk tolerance (Sections 2-3), does your current portfolio actually match? What might need to change?

Section 5 - Plan for the Shift

As your nearest goal gets closer, how do you plan to gradually shift your mix toward capital preservation? What would trigger the first move?